

Testimony of Commissioner James P. Redeker
Appropriations Committee
Fiscal Year 2016 – Fiscal Year 2017 Operating Budget
February 25, 2015 11:00 a.m.
Legislative Office Building, Hearing Room 2C

Good morning Senator Bye, Representative Walker, and members of the Committee. I am James P. Redeker, Commissioner of the Department of Transportation. I am pleased to appear before you today to discuss Governor Dannel P. Malloy's recommended biennial operating budget for the Department of Transportation.

Governor Malloy's budget for the upcoming biennium demonstrates a clear focus on transportation – the beginning of an ambitious, progressive approach to addressing the state's infrastructure needs. Our roads, bridges, buses, trains, airports, ports and ferries are essential to the quality of life and economic well-being of our state and our nation, and the citizens of Connecticut deserve a multimodal transportation system that is best-in-class. With that in mind, the Governor has unveiled his vision for our transportation future in "Let's Go CT!" which includes a five year ramp-up plan as well as a 30-year, long term strategy to transform our infrastructure and build for a better tomorrow.

This bold vision starts now. The Governor's proposed Capital Budget recommends \$274.9 million in fiscal year 2016, \$520.2 million in 2017, \$547.2 million in 2018, \$749.8 million in 2019, and \$691.0 million in 2020 for implementation of the "Let's Go CT!" Capital Program. In addition, to finance the on-going transportation Capital Program, the Governor's recommended budget also includes \$671.4 million in fiscal year 2016 and \$693.3 million in fiscal year 2017 for special tax obligation bond authorizations, as well as \$70 million in each year for general obligation bonds. Funds for vital infrastructure improvements in the biennium include:

- \$250 million in the "Fix-it First" road and bridge programs that will address reconstruction, repair or replacement of bridges and roads in need of immediate attention;
- \$66 million in the State Bridge Restoration program;
- \$26 million in the "Interstate" program, that provides for the maintenance and enhancement of the state's portion of the nationwide system of highways;
- \$88 million in the "Intrastate" program that will fund improvements to the state's primary and secondary roads;
- \$150 million in the "Resurfacing" program for ongoing restoration of the state's highways;
- \$22.3 million for Urban Systems;
- \$36.1 million for environmental compliance and hazardous waste abatement;
- \$46.2 million for renovation and repair to Department's garages and other facilities;
- \$413.4 million for Bus and Rail facilities and equipment that will provide funding for capital projects necessary to support two commuter railroads, and Transit operations in eight urban areas and 13 active transit districts;
- \$20 million in Ports funding; \$8 million for reconstruction and improvements at the State Pier, and \$4 million for the General Aviation Program; and
- \$20.8 million for Highway and Bridge Renewal equipment

The Governor's recommended Capital Program also includes continued emphasis on municipal aid, with bond authorizations of \$10 million in each year for the Local Bridge Program; \$74 million in each year for Local Transportation improvements; and \$60 million annually for the Town Aid Road grant program.

The Governor's recommended Operating Budget for the Department contains Special Transportation Fund appropriations of \$664.2 million for fiscal year 2016, (growth of 14 percent from fiscal year 2015 appropriations) and \$646.3 million for fiscal year 2017, (which is 2.7 percent under fiscal year 2016). The proposed budget includes resources necessary to meet the Department's ongoing operational needs and also to begin preparation for strategic mid- and long-range goals set forth in Let's Go CT!

The Governor's proposed Personal Services budget of \$179 million in fiscal year 2016 and \$183.1 million in fiscal year 2017 provides funding for dedicated employees that plan, design, maintain, and provide support for a safe highway and bridge network, waterways, and public transportation system. The proposed authorized count includes 94 new positions for fiscal year 2016 and 73 additional positions for fiscal year 2017, which includes:

- Seventy-eight positions, comprised of engineering, rights-of-way, clerical and support staff, for a long-term Capital Program to strengthen the state's infrastructure investment;
- Ten positions to implement a pilot Expedited Transportation Investment Program, in order to improve and streamline capital project delivery timelines;
- Three positions for a new Project Management system;
- Forty Maintainer positions dedicated to Bridge Maintenance and Rehabilitation;
- Thirty additional Maintainer positions to staff our maintenance trucks;
- Four positions for rail bridge inspection;
- And two positions to establish the Connecticut Port Authority.

The Governor's proposed Other Expenses appropriation of \$56.3 million in fiscal year 2016 and \$56.4 million in fiscal year 2017 includes much needed additional funding for the snow removal budget, primarily due to a 24 percent increase in the price of salt. The proposed budget reflects a five percent increase over fiscal year 2015 funding, largely dedicated to fixed costs for commodities and services, including highway illumination, fleet repair, highway and electrical items (*such as guide rail, posts, concrete barriers and lights*), costs for operating more than 100 Department facilities, and snow removal materials and contractual services.

The Governor's recommended budget also includes \$10 million in fiscal year 2016 to support the critical purchase of replacement snow plow trucks. An ongoing equipment replacement program is a critical aspect of properly managing fleet equipment and controlling overall fleet repair expenses. This funding, along with annual funding of \$10.4 million in the proposed Capital Program, will enable the Department to begin to implement a long overdue, essential update to its fleet.

The Governor's proposed budget for the Pay-As-You-Go Transportation Projects account includes an additional \$13 million in annual funding to expand Bridge Maintenance and Rehabilitation and to implement a more efficient and cost-effective process.

Maintaining existing rail and transit services is a key element of the Department's operating budget. These programs serve the mobility needs of over 80 million passengers annually. The Department will continue to work with service operators to control expenses where possible and minimize subsidy payments. These services, along with the ADA Paratransit Program, represent approximately 56 percent of the Department's operating budget.

The Governor's recommended Bus Operations appropriation of \$152.7 million in fiscal year 2016 and \$157.9 million in fiscal year 2017 will provide the ongoing funding for CT Transit and other service providers. Increased funding is also provided for CTfastrak as well as funding to maintain routes under the "Transportation-to-Work" program which was previously funded in the Department of Social Services. In addition, the proposed budget for fiscal year 2017 provides funding to begin to expand bus services statewide.

The proposed Rail Operations Budget of \$181.9 million in fiscal year 2016 and \$168.3 million in fiscal year 2017 will provide for contractual and expanded requirements for CT Rail, including increased costs for Metro North - New Haven Line and Shore Line East operations; the Hartford Line, formerly known as the New Haven-Hartford-Springfield Line; and resources for continued improvements to safety initiatives on the New Haven Line. Funding is also included for a tree trimming program around the state's rail lines.

I look forward to working with you in implementing a biennial budget that allows for continued preservation and improvement of the State's transportation network, and enables us to deliver the superior transportation system that the citizens of Connecticut deserve.

I will gladly respond to any of your questions.

